

Article - Public Utilities

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§7-537.

(a) The rights and interests of an electric company or successor under a qualified rate order, including the right to impose, collect, and receive qualified rate stabilization charges authorized in the order:

(1) become rate stabilization property when they are first transferred to an assignee or are pledged in connection with the issuance of rate stabilization bonds; but

(2) are only contract rights before that first transfer or pledge.

(b) Rate stabilization property constitutes a present property right:

(1) for purposes of contracts concerning the sale or pledge of property, even though the imposition and collection of qualified rate stabilization charges depends on further acts of the electric company or others that have not yet occurred; and

(2) for all purposes until the later of:

(i) the period provided in the qualified rate order, to the extent provided in that order; or

(ii) the payment in full of the rate stabilization bonds, including all principal, interest, premium, costs, and arrearages on the bonds.

(c) All revenues and collections resulting from qualified rate stabilization charges are proceeds only of the rate stabilization property arising from the qualified rate order.

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